# GOVERNMENT OF INDIA
# PETROLEUM AND NATURAL GAS
# LOK SABHA

UNSTARRED QUESTION NO:1284
ANSWERED ON:10.03.2005
FUNDS FOR DRILLING EXPLORATORY WELLS
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**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

(a) whether ONGC has slashed funds for drilling exploratory wells by 20% in 2004-05;

(b) if so, the reasons therefor; and

(c) the action taken/proposed to be taken to increase oil exploration and make the country self-sufficient in oil and gas?

## Answer

MINISTER OF PETROLEUM AND NATURAL GAS & PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) & (b): No, Sir. As per revised Budget Estimates, Oil and Natural Gas Corporation Ltd.(ONGC) has budgeted Rs. 2496 crore for exploratory drilling in 2004-05 which is 47.69% higher than the actual expenditure of Rs. 1690 crore incurred during the financial year 2003-04.

(c): Given the present oil & gas production in the country, self-sufficiency in the near future is not envisaged. However, Government have taken the following steps to meet the growing demand of oil and natural gas.

(i) to improve the recovery factor from existing major fields by implementing Enhanced Oil Recovery(EOR)/Improved Oil Recovery (IOR) schemes; in particular Oil and Natural Gas Corporation Limited(ONGC) has taken up 15 fields for this purpose at an estimated investment of Rs. 10,000 crore, which would also help in accelerating oil production from these fields.

(ii) to increase exploration efforts through the New Exploration Licensing Policy (NELP); under the first four rounds of NELP, Production Sharing Contracts (PSCs) have been signed for 90 blocks; the fifth round is underway.

(iii) to explore in new areas, specially in the deep water and difficult frontier areas, as also explore in deeper layers of already producing fields.

(iv) to develop faster newly discovered fields and to step up the use of new technologies for seismic surveys, work over, stimulation operations, drilling of wells etc.in producing areas.

(v) to acquire acreages abroad.

(vi) to explore alternative sources of hydrocarbon such as Coal Bed Methane. 16 PSCs for Coal Bed Methane exploration have been signed to date.

(vii) to tap alternate resources like Gas Hydrate, and Underground Coal Gasification.